



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



OCTOBER 17, 2000

Grain Storage Becoming A Problem. A bumper grain harvest from the Midwest to the East Coast will again test the available storage capacity. Reports indicate that grain is already being piled and stored across Iowa, which has, as of last Tuesday, harvested 75 percent of its soybeans and 53 percent of its corn. "We have a little pile outside," according to Keith Koger, location manager, East Central Iowa Co-op, La Porte City, IA. That "little pile" is roughly 100,000 bushels of dry corn, which, officials believe, will triple in size by the end of harvest. According to Koger, "Corn is probably little over half done now. Beans have been pretty quiet. The majority finished last week." Nationwide, the U.S. Department of Agriculture (USDA) predicts record harvest for both corn (10.4 billion bushels) and soybeans (2.4 billion bushels), due mostly to increased acreage. Koger stated that although weights and moisture levels have been good, yields are down a little. Farmers and elevator officials have reported an average decrease of 10 bushels per acre for corn and 6-10 bushels per acre for soybeans. Because of the limited storage, USDA will ease rules pertaining to its On-Farm Storage Program. This, according to Agriculture Secretary, Dan Glickman, "gives farmers some marketing flexibility." He continued, "It's very important for them to decide when to market their crops. They need that flexibility to capitalize on the planting flexibility provided in the current farm bill." A similar problem exists in Delaware, where State agriculture officials expect a critical grain storage problem for corn waiting to be milled. This year's corn harvest is expected to be 24.6 million bushels, 80 percent higher than last year's and higher than the record of 22 million bushels set in 1996. Despite the record crop, however, the region's poultry industry will likely require an additional 20 million bushels, which will have to be imported into Delaware and Maryland's Eastern Shore. (*Waterloo-Cedar Falls Courier, 10/11, AP 10/11*)

USDA To Cohost Workshop On Containers And IP Grain Markets. The U.S. Department of Agriculture (USDA) announced that it will present a workshop, in cooperation with the Washington and Idaho Wheat Commissions, on November 30 at the Airport Ramada Inn in Spokane, WA. The Workshop is being held in response to increased interest in identity-preserved (IP) grain exports as a means of diversifying export markets. "The ability to gain information and meet specific end-user needs opens up new opportunities for wheat growers. In today's economic environment, container shipments may become the key to sales in some markets," said Kathleen Merrigan, administrator of the Agricultural Marketing Service. The workshop will address a broad range of topics, including niche and emerging markets for IP grain, grain quality testing, Government export programs, finance and collections, shippers' associations, logistics service providers, and leasing containers and equipment. Mark Lyons, Milltek Services, Hong Kong, will be a featured speaker. He has a diverse background in the wheat industry, including expertise in wheat marketing and milling. His lengthy experience with the Asian Markets enables him to provide first-hand information about the potential for container shipments to that part of the world. For more information on the conference contact Glen Squires, Washington Wheat Commission, 509-456-2481, or e-mail www@wwcspokane.com. For more information on container freight rates, contact Heidi Reichert, Shipper and Exporter Assistance, Transportation and Marketing Programs, Agricultural Marketing Service, USDA, Room 1217-S, 1400 Independence Avenue, SW, Washington, DC 20250-0267; telephone (202) 690-2325, or e-mail Heidi.Reichert@usda.gov.

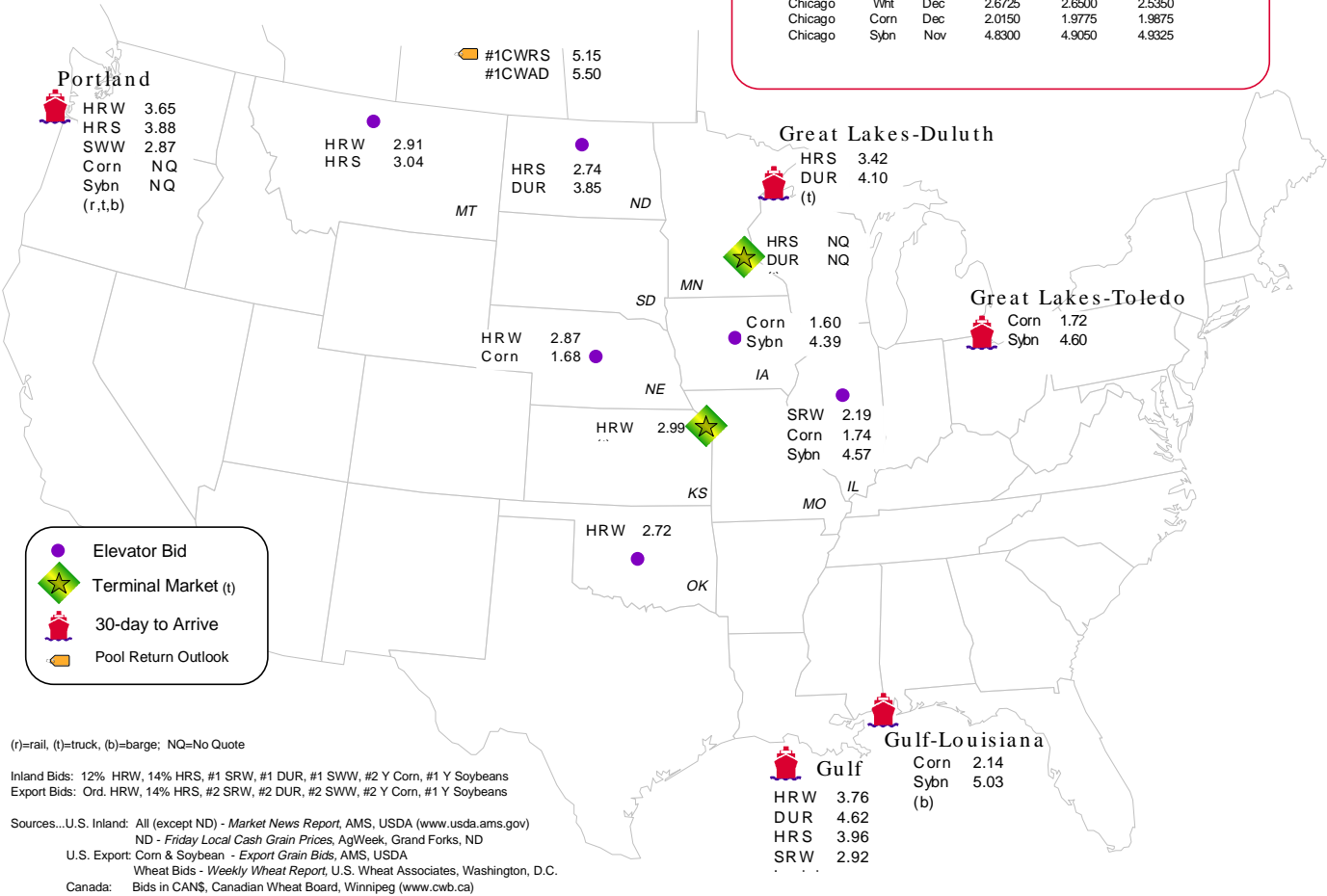
Data Explanation. Due to the heightened interest in specialized grain and grain products, there also comes a increased necessity for identity preservation (IP) for grain shipments. This may be best accomplished through containerization. The two graphs shown on page 7 indicate rates for feed grains and soybeans leaving the port of Seattle with various destinations in the Asian market. The rates are revised monthly.

Container Ocean Freight Rates. The rates from the *Ocean Freight Rate Bulletin* are weighted averages based on actual shipping line monthly market share. The rates within the bulletin are the public tariffs filed by the individual shipping lines. Various methods are used to obtain the data used in the *Ocean Freight Rate Bulletin*. First, data obtained from the monthly *Journal of Commerce PIERS* (Port Import/Export Retrieval System) are used to calculate which shipping lines hold the market share for each commodity to the various ports. Websites such as *The Pacific Shipguide* and *The Journal of Commerce* are used to determine transit times for each shipping line and trade route. The rates are located using one of the two on-line retrieval systems called "E Transport" and "Plus Tariff." Individual shipping line websites are also used. The rates, along with the surcharges, are calculated for the representative shipment. If a rate is not retrievable from either system or when a rate appears inconsistent, the shipping line is contacted directly by fax or telephone. (Heidi Reichert, Shipper and Exporter Assistance, Heidi.Reichert@usda.gov)

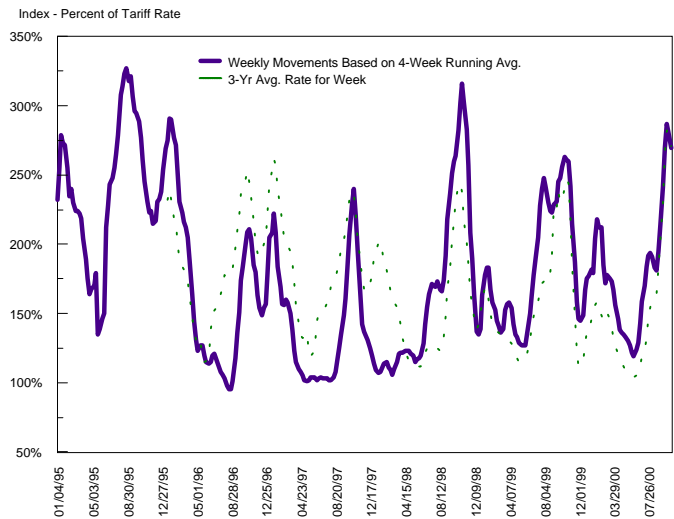
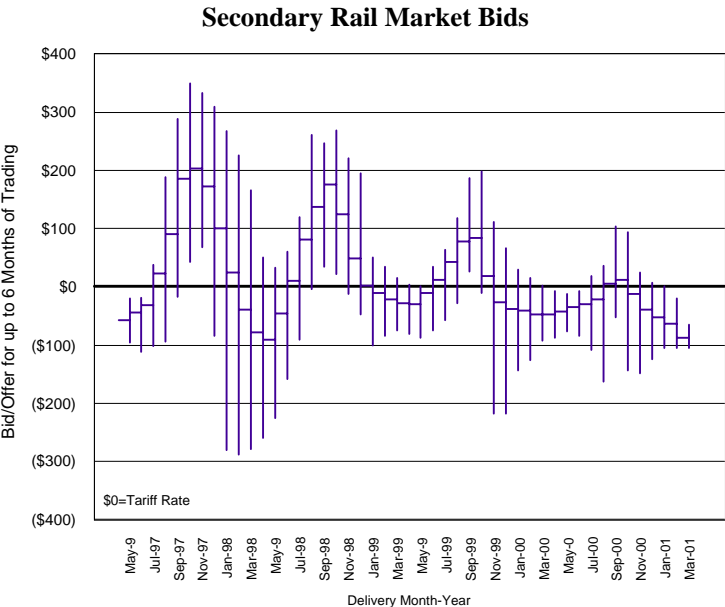
Report is prepared by Karl Hacker and Sigal Nissan, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments to GTR@usda.gov.

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Grain Bid Summary



Spot Barge Rate - Illinois River



Rail Car 'Auction' Offerings

Delivery for:	Oct-00		Dec-00	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	13,804	55%	12,540	8%
UP-GCAS	5,400	13%	5,400	2%

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Oct-00	Nov-00	Dec-00	Jan-01
BNSF-GF	\$99	\$(35)	\$(48)	\$(41)
UP-Pool	\$(47)	\$(150)	\$(130)	\$(95)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Nov-00	Dec-00	Jan-01
COT/N. Grain	\$1	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid
GCAS/Region 4	no bid	no bid	no bid

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com.

(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

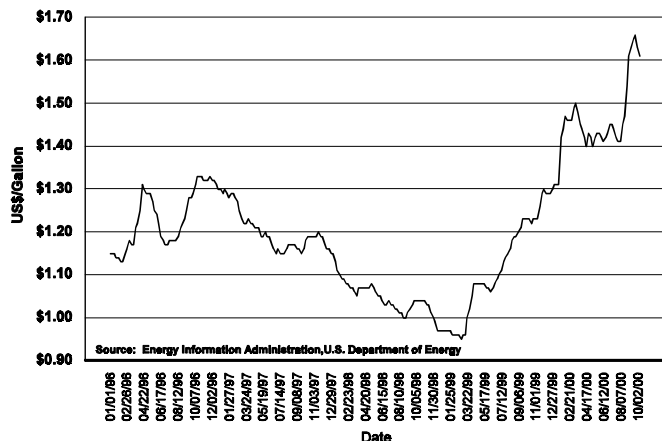
Southbound Barge Freight Nominal Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Bid	Offer
10/17/00	St. Louis	twk	160	165*
		2 nd half Oct.	155	165
		Nov.	150	160
	Illinois River	twk	180	190
		2 nd half Oct.	180	185
		Dec.	175*	180
	Mid Miss.	twk.	185	190*
		Nov.	180	190
	Twin Cities	twk & nwk	185	195
	Lower Ohio	twk	200*	210
		Oct.	190*	200
		Nov.	150	160

Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

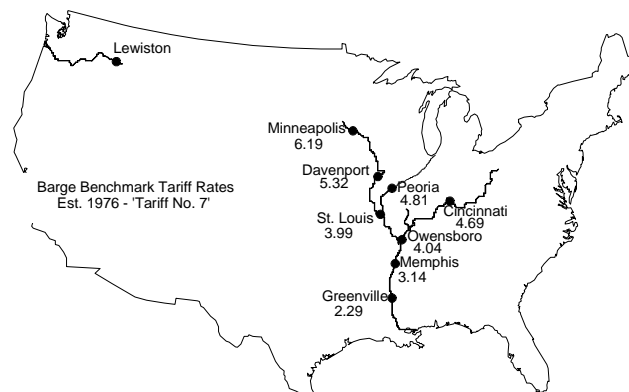
*Tended rates

Weekly Retail Diesel (Road) Prices (Including Taxes)**Southbound Barge Freight Spot Rates**

	10/11/00	10/4/00	Nov. '00	Jan. '00
Twin Cities	230	250	223	0
Mid-Mississippi	205	230	189	0
Illinois River	197	227	180	199
St. Louis	207	224	157	142
Lower Ohio	204	229	163	149
Cairo-Memphis	165	219	149	140

Source: Transportation & Marketing /AMS/USDA

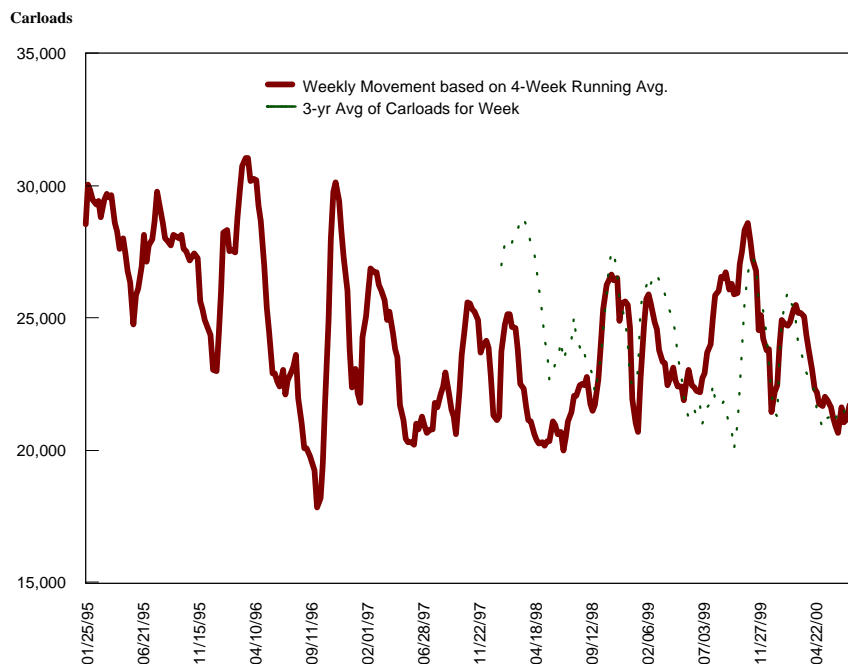
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Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
9/23/00	26,490
09/30/00	25,137
10/07/00	25,220
Year to Date - 2000	933,857
Year to Date - 1999	972,525
Total 1999	1,269,741
Total 1998	1,186,117

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

			East		West		Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN CP
10/07/00	0	4,065	0	3,589	9,637	700	7,229	4,783 5,240
This Week Last Year	0	2,927	2,125	3,480	10,453	594	8,977	2,550 5,052
2000 YTD	0	108,655	70,155	116,234	324,339	21,823	292,651	108,090 184,462
1999 YTD	15,522	96,689	68,393	105,006	351,930	26,741	309,244	87,038 156,894
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381 206,328
1998 Total	40,192	126,128	77,811	131,158	431,459	34,503	342,609	113,568 215,005

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

October 2000

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
10/09/00	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
10/09/00	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
10/09/00	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
10/09/00	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
10/09/00	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
10/09/00	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
10/09/00	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
10/09/00	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
10/09/00	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,680	\$29.54	\$0.80
10/09/00	61180	Soybean	Omaha, NE	Portland, OR	\$2,430	\$26.79	\$0.73
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

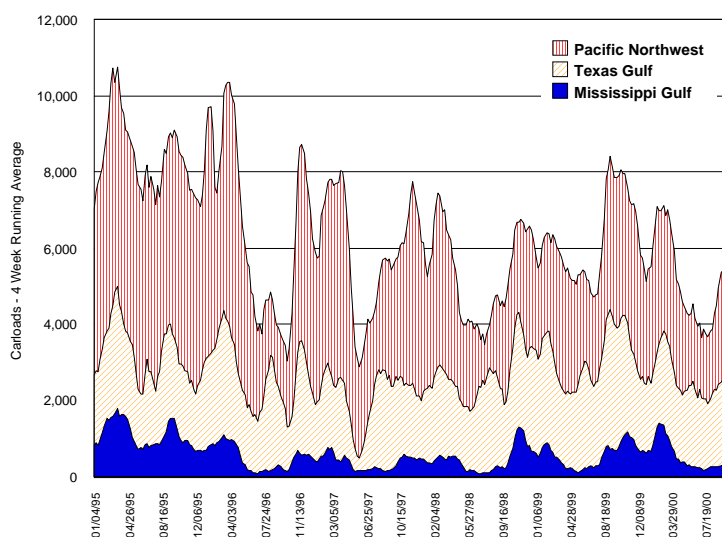
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

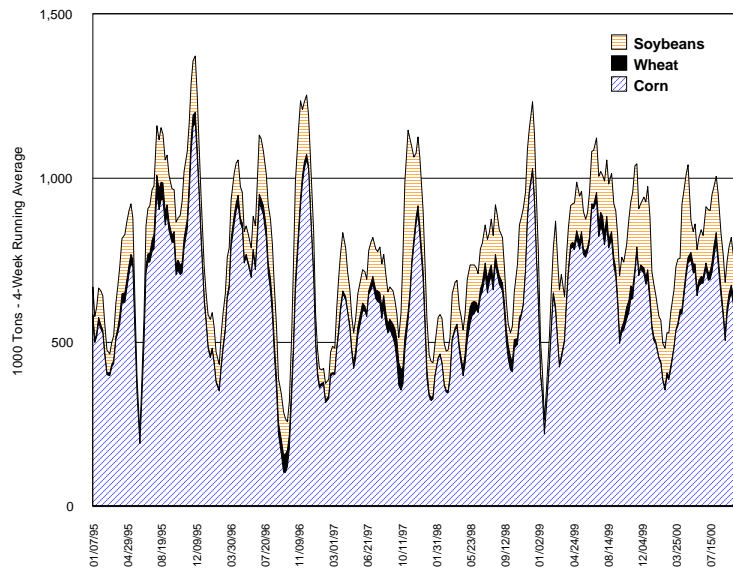
Rail Deliveries to Port**Carloads**

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
09/06/00	262	2,374	3,292	328
09/13/00	257*	2,353	2,379	201
09/20/00	319*	2,667	1,322	219
09/27/00	349*	2,498	183	251
10/04/00	493*	2,074*	182	188
10/11/00	655*	2,143*	183	156
YTD 2000	21,967*	85,655*	96,346*	9,763
YTD 1999	20,740	107,966	123,537	11,377
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

Source: Transportation & Marketing/AMS/USDA

Rail Deliveries to Port

(*) Incomplete Data

Barge Movements - Locks 27**Barge Grain Movements**

for week ending 10/7/00

	Corn	Wht	Sybn	Total
1,000 Tons				
Mississippi River				
Rock Island, IL (L15)	177	9	159	348
Winfield, MO (L25)	272	9	163	447
Alton, IL (L26)	477	9	176	665
Granite City, IL (L27)	512	11	181	707
Illinois River (L8)	140	0	72	213
Ohio (L52)	142	15	41	224
Arkansas (L1)	0	32	7	39
2000 YTD	25,746	2,007	7,120	36,205
1999 YTD	28,433	2,371	6,418	39,397
Total 1999	36,711	2,883	9,771	51,887
Total 1998	31,001	2,401	8,674	45,134

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers; n/a=not available

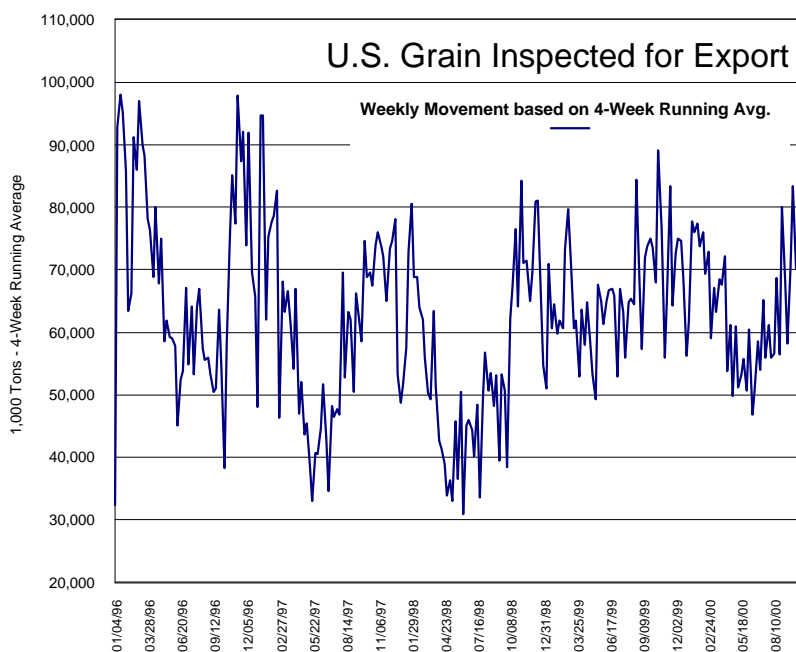
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<u>Wheat</u> <i>SWW</i>	<i>DUR</i>	<i>All</i>	<u>Corn</u>	<u>Soybean</u>	<u>Total</u>
<u>Unshipped Exports-Crop Year</u>									
10/05/00	1,180	508	757	593	173	3,212	6,640	5,912	15,764
This Week Year Ago	1,124	390	834	997	226	3,571	7,682	5,961	17,214
<u>Cumulative Exports-Crop Year</u>									
99/00 YTD	3,721	1,919	2,002	1,753	479	9,874	5,779	1,987	17,640
98/99 YTD	4,929	1,459	1,927	1,112	319	9,745	5,355	17,713	32,813
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export** - 1,000 Metric Tons

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
10/12/00	109	91	91	254	718	346	150	29	20
2000 YTD	7,477	5,036	901	5,452	28,350	12,725	5,678	366	936
1999 YTD *	7,658	6,978	604	5,534	27,954	10,310	6,948	518	995
% of Last Year	69%	115%	138%	108%	90%	85%	78%	65%	67%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service * YTD-Year-to-Date (*98 = 53 week period)

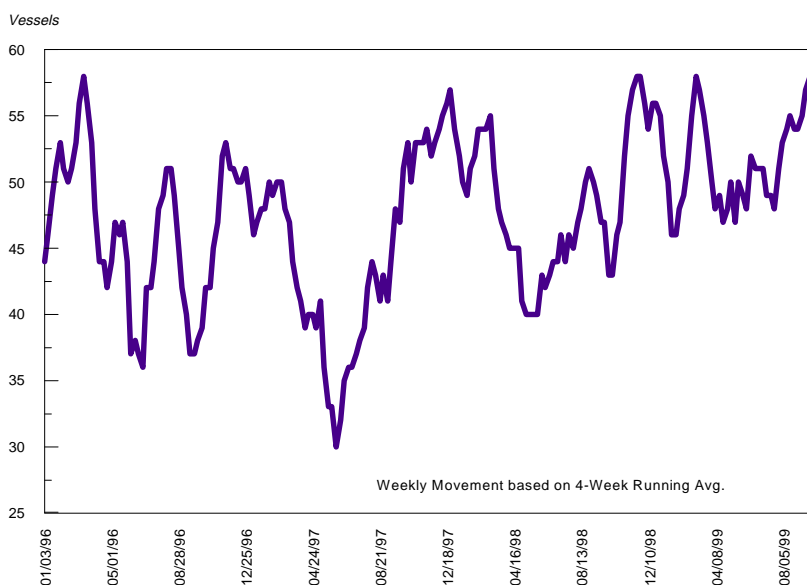
**Select Canadian Ports - Export Inspections**

1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 9/22/00			
Vancouver	1,562	108	144
Prince Rupert	28		0
Prairie Direct	177	44	32
Thunder Bay	309	104	3
St. Lawrence	617	381	0
2000 YTD Exports	2,693	637	178
1999 YTD Exports	2,035	867	146
% of Last Year	132%	73%	122%

Source: Canadian Grains Commission

YTD-Year-to-Date Crop Year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

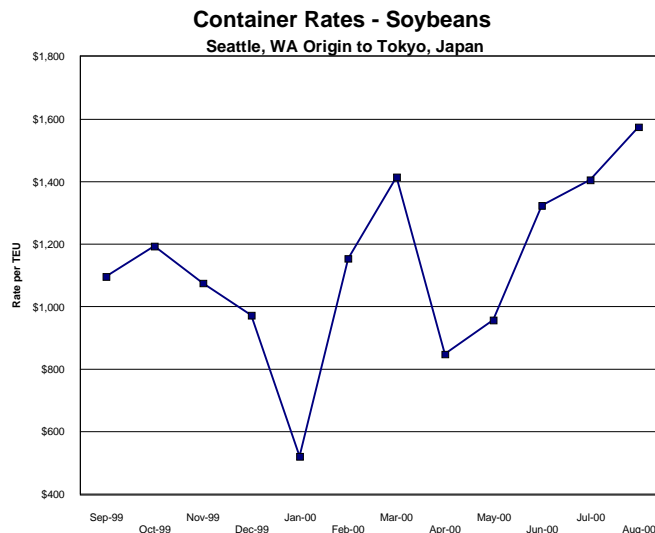
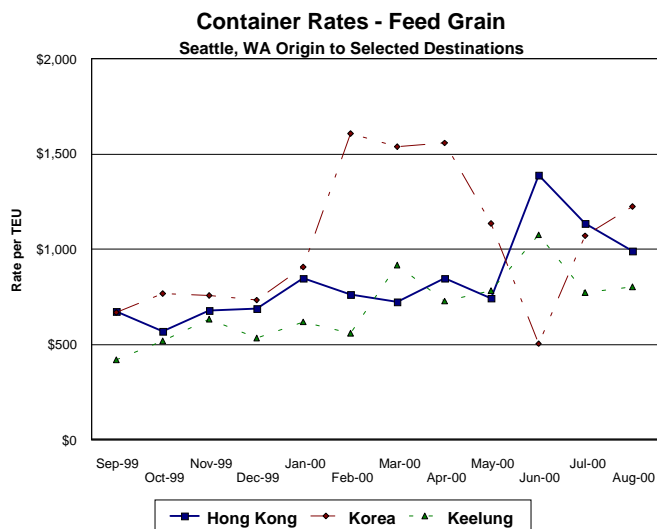
Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
10/05/00	40	52	65	8			8	11	4
10/12/00	48	56	74	11			8	11	4
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

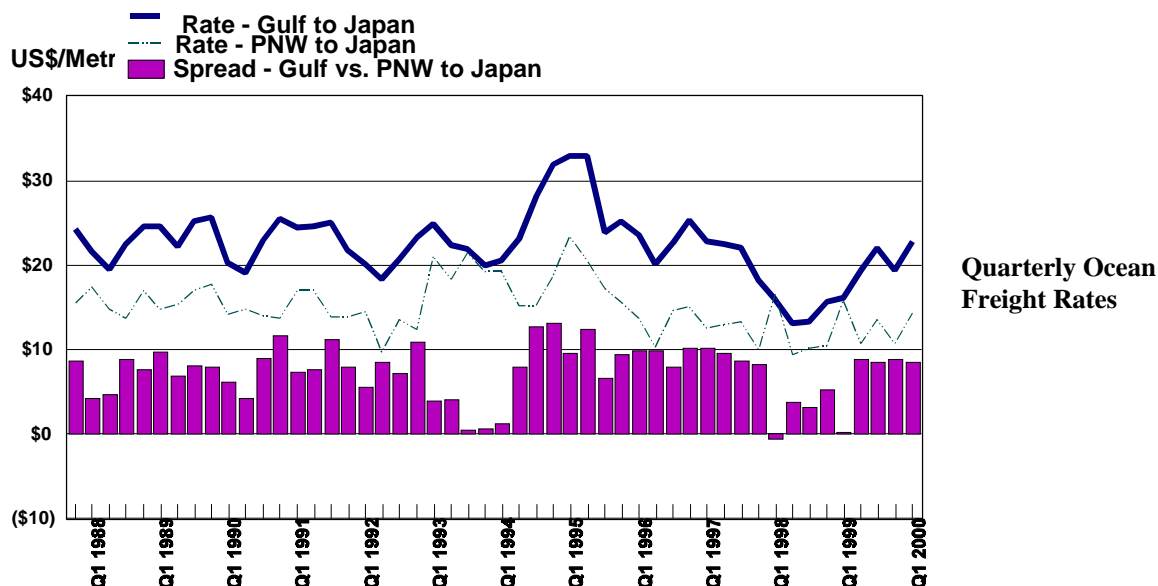
Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



Source: Transportation & Marketing/AMS/USDA



Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2000 2 nd Qtr	1999 2 nd Qtr	% Change		2000 2 nd Qtr	1999 2 nd Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$22.84	\$16.08	42%	Japan	\$14.37	\$15.83	-9%
Mexico	\$16.58	\$22.45	-26%	Red Sea/ Arabian Sea	\$33.46	\$45.80	-27%
Venezuela	\$11.34	\$13.91	-18%				
N. Europe	\$15.50	\$12.28	26%	Argentina to			
N. Africa	\$20.91	\$17.80	17%	N. Europe	\$18.96	\$23.92	-21%
				Japan	\$26.57	\$20.82	28%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 10/16/00

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Duluth	W. Italy	Heavy Grain	Oct./Nov.	17,000	\$29.50
Duluth	W. Italy	Wheat	Oct.20/30	25,000	\$29.00
Port Cartier (Can.)	Ecuador	Wheat	Oct.23/27	18,000	\$21.50
Baltimore	Japan	Soybeans	Oct.15/20	34,000	\$27.00
Gulf	Italy (Adriatic)	Wheat	Prompt	20,000	\$16.25
Gulf	Egypt (Med.)	Heavy Grain	Oct.15/20	50,000/60,000	\$27.50
Gulf	Japan	Heavy Grain	Oct.25/Nov.5	54,000	\$26.00
PNW	Yemen	Heavy Grain	Oct.15/20	30,000	\$28.00
France	Turkey	Wheat	Prompt	15,000	\$17.90
France	Bangladesh	Rapeseeds	Prompt	14,000	\$36.50

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option